

# American

## NEWS & VIEWS

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## President Obama Addresses U.S. Security Interests in Libyan Crisis

By Merle David Kellerhals Jr.  
Staff Writer

Washington — President Obama told Americans that it was not in the U.S. national interest to let the Libyan people suffer a massacre at the hands of Libyan leader Muammar Qadhafi because the consequences would have reverberated across the Middle East and North Africa and “stained the conscience of the world.”

“I refused to let that happen,” Obama said in a nationally televised address March 28. “And tonight, I can report that we have stopped Qadhafi’s deadly advance.”

Obama made a televised address from the National Defense University in Washington to explain to the American people and those around the world why he took action with an international coalition to use military force against the forces of the Qadhafi regime that had begun attacking civilians for protesting against the regime. Libyans began calling for freedoms and a new government that was responsive to their needs.

Obama said the United States has not acted alone in taking military action, but has been joined by a growing international coalition that includes many members of NATO from Europe and Arab partners like Qatar and the United Arab Emirates. In a period of one month, the United States has worked with international partners to create a broad-based coalition, secure an international mandate to protect Libyan civilians, stop an advancing army, prevent a massacre, and establish a no-fly zone, Obama said.

When the United States began this initiative, Obama said, he pledged to the American people that the U.S. role would be limited and there would be no U.S. ground troops put into Libya. He also said the United States would hand off command of the coalition as soon as practical.

NATO agreed March 27 to take command of the enforcement of the arms embargo and no-fly zone imposed by a March 17 U.N. Security Council resolution. NATO also agreed to take on the responsibility of protecting Libyan civilians, Obama said.

The transfer of command from the United States to NATO will take place March 30.

“The United States will play a supporting role — including intelligence, logistical support, search-and-rescue assistance, and capabilities to jam regime communications,” he said.

Secretary of State Hillary Rodham Clinton flew to London for a March 29 meeting with 30 international leaders and members of the Libyan opposition to discuss what kind of political effort is necessary to pressure Qadhafi to relinquish power, while also supporting a transition for the Libyan people that offers freedom and democracy, the president said.

Clinton and Defense Secretary Robert Gates appeared on a series of March 27 news talk shows to explain U.S. actions and what the United States hopes will be achieved by the international coalition that is enforcing the no-fly zone and conducting airstrikes against Libyan military forces.

The U.N. Security Council voted 10-0 with five abstentions March 17 to authorize the use of all means necessary to stop the military forces of the Libyan leader from attacking the Libyan people. The resolution also includes an immediate demand for a cease-fire and a no-fly zone over Libya, among other measures.

The U.N. resolution, 1973, came after the Arab League voted March 12 for a no-fly zone over Libya to protect human lives.

Obama said the coalition only took action March 19 when every effort to end the violence without using force was unsuccessful. He said the international community offered Qadhafi a final chance to stop his campaign of killing or face the consequences.

Earlier in the day, Obama spoke by videoconference with French President Nicolas Sarkozy, German Chancellor Angela Merkel and British Prime Minister David Cameron. While they discussed a broad range of strategic issues, they specifically discussed the international conference being held in London, and they reviewed progress being made in Libya, the White House said in a prepared statement.

“They agreed that Qadhafi had lost any legitimacy to rule and should leave power, and that the Libyan people should have the political space to determine their own future,” the White House statement said.

## Japan’s Disasters Do Not Inflict Long-Term Economic Damage

By Phillip Kurata  
Staff Writer

Washington — The earthquake, tsunami and nuclear accident in Japan, while causing significant devastation, have not done lasting damage to the Japanese economy, according to economic analysts.

Mike Holland, chairman of the investment firm Holland

& Company LLC, said that barring a nuclear catastrophe similar to the Chernobyl disaster in 1986, "the net effect" of the triple whammy on the Japanese economy "could be positive a few years out."

Diane Swonk, chief economist at Mesirow Financial Holdings Inc., said: "The panic reaction, particularly in wealthy nations, always tends to be overstated. Japan is not Haiti, so short of the nuclear meltdown, what we are likely to see is a rebuilding." Holland and Swonk gave their assessments in a broadcast of the U.S. financial program Nightly Business Report. Holland said that he is holding onto his investments in Japanese companies.

Similar advice is coming from Warren E. Buffett, chairman of Berkshire Hathaway Inc. and one of the world's wealthiest investors. "If I owned Japanese stocks, I would certainly not be selling them," he said. "It will take some time to rebuild, but it will not change the economic future of Japan." He said that frequently a disaster "really creates a buying opportunity."

Fidelity Investments, one of the largest mutual fund and financial services companies in the world, said the Japanese disasters are creating "significant economic weakness in the near term," but an economic rebound likely will occur "as businesses and households rebuild lost and damaged infrastructure."

Fidelity said the Japanese central bank is injecting more than \$120 billion into the economy and is providing "an extraordinary level of extra liquidity for the domestic financial system." The company added that some Japanese investors and financial institutions have sold overseas assets and repatriated the funds to Japan, creating additional potential funds for reconstruction. The Japanese yen strengthened to a historic high against the dollar a few days after the March 11 disasters, prompting the world's seven largest economies (Group of Seven) to take concerted action to stabilize the Japanese currency.

"As we have long stated, excess volatility and disorderly movements in exchange rates have adverse implications for economic and financial stability," the G7 finance ministers said in a statement.

Disasters usually drive down the value of a nation's currency as investors pull money out of the country. In the case of Japan, foreign investors bought a record \$11 billion in Japanese stocks March 16 after a 10 percent plunge of the Nikkei 225 stock index immediately following the earthquake and tsunami, according to Japan's Finance Ministry. The rebound occurred as non-Japanese institutional investors bought heavily at bargain prices, according to a stock analyst for Citigroup, Greg Anderson.

The Japanese government estimates that the cost of the earthquake and the tsunami will surpass \$300 billion. Tokyo has not set a cost for the impact of the power shortages caused by damage to the Fukushima Daiichi nuclear power plant, so the overall economic impact could be higher. Most economists inside and outside Japan expect that Japan's anemic economy will experience further weakness for the next several quarters but will start to show robust growth before the end of the year as the reconstruction effort gains traction.

#### NUCLEAR INDUSTRY CONSEQUENCES

As to the future of the civilian nuclear power industry, opinions are more scattered and less sanguine than they are for the survival and regeneration of the Japanese economy.

As radiation continued to leak from the damaged power plant, Germany's Green Party scored historic high vote counts in elections in two German states March 27. Analysts said the nuclear accident in Japan rocked the German electorate's confidence in nuclear power, and the Green Party's anti-nuclear rhetoric had a telling effect on voters. The German government shut down seven nuclear reactors right after the Japanese accident. German Chancellor Angela Merkel said she still supports the use of nuclear power but has ordered a review of safety procedures.

Trace increases of radioactive particles detected in the United States have generated protests from U.S. citizen groups demanding the abolition of nuclear power as a source of electricity.

British environmentalist Bill McKibben contends that the Japanese nuclear accident is a signal to pull away from nuclear technology and scale back energy consumption to preserve the planet.

The accident sparked an opposite reaction from another British environmentalist, George Monbiot, who in the past said he had been neutral on the nuclear power question. Monbiot said the earthquake and tsunami subjected atomic energy technology to the harshest possible test, and the fact that the accident did not materialize into a disaster on the scale of Chernobyl has convinced him that the technology is safe. "The impact on people and the planet has been small. The crisis at Fukushima has converted me to the cause of nuclear power," Monbiot wrote in Britain's Guardian newspaper March 21.

As the debate about nuclear power and fossil fuels has grown louder, liquefied natural gas is seen as a third option that does not carry the hazards of spent nuclear fuel or high emissions of carbon dioxide.

## Beyond Fukushima, Inquiries Begin on Long-Term Nuclear Safety

By Charlene Porter  
Staff Writer

Washington — The international community faces a “major challenge” in the serious failures of the Fukushima nuclear plant and these failures require “robust follow-up action,” according to the director general of the International Atomic Energy Agency (IAEA).

IAEA Director General Yukiya Amano said Japan is “still far from the end of the accident” as damaged reactors at the site continue to spew radiation into the atmosphere and the ocean. “The crisis is not yet over, but we need to start thinking about the future,” he said.

Amano proposed a high-level international conference in the next few months to assess what happened at Fukushima, consider the lessons learned, and begin a process of improving nuclear safety and response to accidents and emergencies.

The March 11 earthquake and tsunami in Japan swamped the seaside nuclear plant and knocked out the vital reactor cooling systems. Since then, Tokyo Electric Power Company (TEPCO) has been working to regain control of the situation, prevent a meltdown of the reactors’ nuclear fuel cores, and contain the damage. Despite those efforts and the assistance of nuclear experts from the international community, radiation is apparently seeping from the vessels that are supposed to contain it.

An analysis by a U.S. Department of Energy team in Japan found radiation levels below 3 millirem per hour, which is described as low but not insignificant. U.S. environmental health standards call for action to protect public health if radiation levels exceed 1,000 millirems over four days. (A rem is the amount of ionizing radiation required to produce the same biological effect as one rad of high-penetration X-rays). Nearly all elevated readings were within 25 miles of Fukushima Daiichi.

Elevated radiation levels have been detected in water and foodstuffs in Japan. The government has put in place a recommendation that the public not drink the water in affected areas and is providing alternate supplies.

### U.S. PLANT SAFETY REVIEW

Soon after recognition of the serious failures at the Fukushima plant, the Nuclear Regulatory Commission (NRC) ordered U.S. power plants to conduct safety reviews, the NRC’s executive director for operations told the Senate Energy and Natural Resources Committee March 29 at a Washington hearing. R. William Borchardt said the U.S. plants are looking, where appropriate, at

their capability to withstand the types of problems that hobbled Fukushima.

“Licensees are verifying the capability to mitigate a total loss of electric power to the nuclear plant,” Borchardt testified. “They also are verifying the capability to mitigate problems associated with flooding and the resulting impact on systems both inside and outside of the plant.”

Borchardt assured the lawmakers of NRC’s confidence in the safety of the 104 operating reactors in the United States and of the pools where still-radioactive spent fuel is stored. Awareness of risk has always guided the NRC’s philosophy toward regulation, Borchardt said, especially in the aftermath of the United States’ most serious nuclear accident, at Three Mile Island in Pennsylvania in 1979.

“As a result of those lessons learned, we have significantly revised emergency planning requirements and emergency operating procedures,” Borchardt said. After that accident, the NRC began to require two full-time NRC inspectors on site at each nuclear plant all the time, what he characterized as the most significant regulatory step after the Pennsylvania incident.

The NRC established a task force March 23 to analyze the events at the Fukushima plant and establish their implications for nuclear safety in the United States.

### HUMANITARIAN EFFORTS CONTINUE

The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) says coordination and logistical issues remain challenging in the effort to provide help for some 250,000 people living in evacuation centers. Sanitation is poor at many centers, and an OCHA situation report of March 28 says reports are emerging of those health problems that develop in poor sanitary conditions: nausea, gastroenteritis and diarrhea.

A lack of fuel and restricted road access have impeded delivery of relief supplies to the centers and to people who may be living in their homes without electricity and water. The Japanese government is establishing temporary service stations to help ease the fuel problems. The Ministry of Land, Infrastructure and Transportation has begun making plans to construct 30,000 temporary shelters in the next two months.

OCHA reports that the total number of dead and missing persons from the March 11 disaster is now at 28,550.

The U.S. Marines teamed up with the Japan Self-Defense Forces to restore electricity to Oshima Island off the eastern coast of Honshu, Japan’s largest island. Marines assigned to the 31st Marine Expeditionary Unit used



landing craft utility vehicles March 27 to deliver 15,000 pounds of relief supplies, including food, water, and health and comfort kits. In addition, the team transported commercial electric utility vehicles, a fuel truck, a water resupply vehicle and a civilian work crew, all from the Tohoku Power Company. The vehicles were critical to the power restoration, and the utility had no way to take them ashore on the small island without Marine assistance.

### **U.S. Looks for Nigeria to Reverse “Trajectory of Bad Elections”**

By Stephen Kaufman  
Staff Writer

Washington — The top U.S. diplomat to Africa urged Nigerians to demonstrate their ability to hold fair and democratic elections as the country prepares for legislative, presidential and state balloting scheduled for April 2, April 9 and April 16, respectively.

Speaking to reporters via teleconference March 29, U.S. Assistant Secretary of State for African Affairs Johnnie Carson said it is “absolutely essential” that Nigeria hold better elections in 2011 than it held in 2007.

The 2007 elections “were deeply flawed and, in fact, were poorly administered and poorly run,” Carson said. “They in no way reflected the ability and the capacity of Nigeria to organize and run successful elections.”

In 2011, the Obama administration wants to see Nigeria reverse its “trajectory of bad elections” and “substantially improve its election management and processes,” he said.

Carson warned that a flawed electoral process will lead to a loss of confidence by Nigerians in their leaders, their country’s governing institutions and democracy itself.

“This is an opportunity for Nigeria to demonstrate its capacity to both manage and hold democratic elections, which are the desire of the people,” he said.

Although the level of violence in the run-up to the elections is not as serious as it was in 2007, Carson said the violence already perpetrated has been “too much.” He called on Nigerian security authorities to do everything they can to ensure the safety of polling places and prevent violence, harassment and intimidation against Nigerian voters and candidates.

“Violence has no place in a democratic society or in a democratic electoral process, and all of the country’s leaders ... must work to do everything they can to make these elections as free of violence and intimidation as possible,” he said.

The assistant secretary praised Attahiru Jega, chairman of the Independent National Electoral Commission, for doing “an outstanding job of managing this process and helping to reshape an election commission whose reputation had been deeply tarnished by the leadership.”

The United States has supported Jega’s efforts through technical assistance and funding. Carson urged all election officials to respect Jega’s leadership and direction, and added that Nigeria’s state-level election officials will also be scrutinized for their conduct.

Carson said there are 17 presidential elections scheduled to occur in Africa during 2011 and the Obama administration will be watching all of them. He said that to strengthen democracy, the focus should be on the institutions rather than the individual candidates.

“The era of ‘big man’ politics in Africa should be history and behind us,” he said. “It is good, strong institutions which are most important.”

All Africans have a right to participate in the election of their local, regional and national leaders, and those elections “should be transparent, fair and credible,” Carson said.

“Election commissions should be independent of executive control and authority and independent of political manipulation,” he said. The electoral process, he added, should be “monitored by domestic groups as well as international groups and open to observation by the media.”

### **Announcement on Iran Sanctions Act**

U.S. DEPARTMENT OF STATE  
Office of the Spokesman  
March 29, 2011

#### **MEDIA NOTE**

#### **Iran Sanctions Act Announcement**

Today, the United States is taking further action to increase pressure on Iran for its failure to meet its international obligations with regard to its nuclear program. A key element of our strategy focuses on Iran’s oil and gas production capacity, which -- as UN Security Council Resolution 1929 recognized -- Iran uses to fund its proliferation activities as well as to mask procurement for the importation of dual-use items. As part of that strategy, the State Department is sanctioning Belarusneft, a state-owned Belarusian energy company, under the Iran Sanctions Act (ISA) of 1996 as amended by the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) of 2010, for its involvement in

the Iranian petroleum sector.

In a thorough review, the Department confirmed that Belarusneft entered into a \$500 million contract with the NaftIran Intertrade Company in 2007 for the development of the Jofeir oilfield in Iran. The ISA requires that sanctions be imposed on companies that make certain investments over \$20 million.

This action on Belarusneft is another application of U.S. sanctions on Iran. In September, 2010, the State Department announced sanctions on the NaftIran Intertrade Company and the Department has applied the "Special Rule" in CISADA to persuade five major multinational energy companies to pledge to end their investments in Iran and provide assurances not to undertake new energy-related activity in Iran that may be sanctionable. The companies are: Total of France, Statoil of Norway, ENI of Italy, Royal Dutch Shell of the Netherlands, and INPEX of Japan.

Since President Barack Obama signed CISADA into law on July 1, 2010, Iran's ability to attract new investment to develop its oil and natural gas resources, and to produce or import refined petroleum products, has been severely limited. The State Department's direct engagement with companies and governments to enforce CISADA is raising the pressure on the Government of Iran. In the past year, many foreign companies have abandoned their energy-related projects in Iran or have stopped shipping refined petroleum to Iran. This is an appropriate response to Iran's longstanding use of its oil and gas sector to facilitate its proliferation activities and thereby its noncompliance with its nuclear obligations.

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